



# USAID | INDONESIA

FROM THE AMERICAN PEOPLE

## MINUTES AND QUESTIONS AND ANSWERS

### PRE-PROPOSAL CONFERENCE FOR RFP06-015

**June 28, 2006  
9:30am to 12:30pm  
Banda Aceh, Indonesia**

*Please note that this is not a word-for-word transcription of the Pre-proposal conference. This are only minutes of the meeting based upon the transcriber's notes and the recording of the meeting. The questions in this document have not been changed. The answers to those questions have been edited so that they are accurate. The answers in this document should be considered official.*

#### **Welcome and opening comments**

**Dale Gredler**

OP-06015

Tender due July 28th, 2006 (changed to match posting)

You should have 4 handouts received on registration

1. Agenda
2. Document that says "RRV presentation" by Roy Ventura,
3. Site visit info
4. Power point presentation

I want to inform everyone that this meeting is recorded and video taped. All minutes are public record as well as registration of your presence here and will be issued as another amendment to this RFP. All of these documents will be posted, including minutes, power point presentations, and your questions and answer to those questions. As an Amendment No 5 to this RFP, we are intending to do that by the end of this week. If we can't answer your question at this meeting we will have a written answer for it in Amendment No 5.

Questions should be written and we will ensure that we get your question correctly and we can answer properly. There will be a particular section (30 minutes) where you can ask questions that might arise after the presentation. We'll read questions, some might be easy to answer now by our Road team, some might be more difficult, which will be answered in writing in the amendment.

This is not the last time that you will be given an opportunity to ask questions.

July 17th is the last opportunity for asking questions (5pm Jakarta time).

1 or 2 day turn around time for these questions, these questions and answers will be submitted as an amendment to the RFP. The deadline for submission of a proposal is the 28th July at 3pm in Jakarta office.

**Introduction of presenters:**

- Thomas Daniel (Parsons Global Services) A&E contractor, design contractor and CMC contractor.
- Roy Ventura, Senior Engineer, USAID team leader for this project and Aceh infrastructure team.
- Doug MacAskill, DCOP, also with Parsons Global Services (A&E contractor, CMC contractor)
- Bob Dakan, Deputy Chief of Party IRG, community outreach and community development.

Rest of team will be introduced later.

**General Project Description & Overview****Thomas Daniel**

Some of the important points raised.

- Indonesia promptly responded to the tsunami by dispatching the Indonesian military (TNI) to construct an aggregate base emergency road and temporary.
- Coastal engineering is an important part of this project. Armoring will also be important.
- Coastline has changed since the tsunami. Construction of residences along the coastline is also ongoing, which demonstrates the urgency of the project.
- In some locations, the emergency road is a new road. In some locations no aggregate base was provided, as it was difficult to make a road (some areas were impossible)
- Bridges: TNI did construct some temporary bridges. Could impact construction schedule if bridges are damaged by heavy vehicles.
- Heavy material shipments should be by sea rather than by road.
- After construction of the TNI road, GOI set up BRR,
- Other members of government team include Dinas Praswil (see slide) and Ministry of Public Works (not so much for construction phase more for design phase)
- Among BRR's first tasks was the establishment of priority sections (of temporary road) for rehabilitation of emergency road until permanent road can be constructed.
- (Show slide of WIKI construction area)
- Asphalt overlays can immediately begin where ROW is already available,
- Mountainous areas where row is available, patching, railings, trimming rock outcrop
- Responsibility of contractor to maintain operation of road during construction. Must be presented in proposal how traffic will be managed.
- (Slides of road cross sections)
- Challenges:
  - (Shows slides of severe flooding) Some roads may be impassable in certain periods of time.
  - Rain delays should not be considered as contractual delays.
  - Temporary structures could fail (such as bridges)
- ROW: typically at 30 m, though maybe different around bridges, or in urban areas where road might need to be more narrower (constrained by topographic features, and this is also an issue for traffic maintenance. )
- Structures:

- Bridges: Steel (longer spans), concrete
  - Culverts.
  - Steel truss bridges - we are aware of some of the issues and we advise that you be selective in your choice of suppliers.
- Drainage: Urban areas
  - Rural areas: open drains, concrete or earth lines
  - Or drainage culverts
- Environmental compliance
  - (See slide)
  - Statement of work will govern in contradiction with AMDAL
  - Typical mitigation options: should be shown in plans or SOW
- Community Interface
- Geotechnical
  - Settlement
  - Quarries
  - Borings (database)
  - Contractor is responsible for:
    - Considering settlement period.
    - Research for quarries (contractor must identify and get the required permits)
  - Geotech Design zones (there isn't one typical section along the road.)
  - Potential quarry sites (on slide)
  - CBR info should be confirmed by contractor
  - CD has geotechnical information

## **Project Elements of Special Interest/Considerations**

### **Roy Ventura**

There are some things that need to be emphasized:

- Environment: temporary measures and mitigation - Need to be taken seriously. Contractor will oversee measures, and USAID will oversee to make sure environmental standards are met. Don't scoff just because this is a developing country. It will be a matter of record for this conference.
- Safety: It is very important. It is expected that contractor will provide certified safety manager with pertinent experience. And then the issue is how is this carried out here in Aceh? People can be trained, even if they need to be trained again and again
- Quality assurance and control: part of what is termed signature project, special notation of quality and fineness. Only way is by careful selection of people chosen for quality, supervision. Key personnel should have ability and experience in training (as there will be opportunity for direct hire, and they should be trained). You will be expected to meet these quality standards and make sure
- Local alignment - It is fixed. If we ask you to bid, we expect that it is final. It will be the same as presented in the documents presented to you
- ROW - Very sensitive issue in this country. Activity is beginning and imminent.
- Government of Indonesia will accept a sample package of 11 km so that they can demonstrate that they can obtain ROW. We wanted to give you dates, but will be available before the bidding process is finished

- This bid is for Task Order No. 1. There is also a Task Order No 2. USAID is currently refining the alignment. There will be two linking areas that will link the Japanese route, one near Meulaboh (to provide uniform traffic). Task order 2 will also address issues or other things missed in Task Order 1
- Amendment 4 - Section C there are about 20 explanations, they aren't dramatic but are there for clarification
- Local provinces have asked us to mention that as you are anticipating mobilizing materials, you should consider that you will have to follow load limits on the roads. Also keep in mind the condition of the bridges, you must think about the logistics of getting heavy equipment into the work area.
- Direct Labour Considerations
  - PRESENTATION ON LOCAL LABOUR WILL NOT BE MADE.
  - Contact Freddy Rousseau if you want to know how to use local labour, which is something that I'm sure you will consider.

### **On-Going Priority Work**

#### **Doug MacAskill**

Project interfaces:

- Banda Aceh to Calang: Task Order No. 1 contractor should expect to interface with contractor from priority contract (WIKa) and also with multi-donor contractors and finally with Japanese contractor around Calang.
- Work that is ongoing is essential maintenance work (blue areas are permanent construction)
- Between Lamno and Calang - in Lamno there is talk of paving existing bypasses, so there will be interfaces with those areas.
- Utilities will also require relocation, which is the responsibility of the GOI. However, must coordinate with the GOI to deal with those issues.
- Priority section 1 work:
  - Four sections (see slide for details)
  - Construction:
    - Ongoing maintenance (which will be issue for Priority contractor)
    - There will be overlap, priority contractor and task order contractor.
    - There are also sections unpaved that have been targeted for the priority.
    - Bidders account for that in their scheduling
    - Permitting
      - See slide
      - Not an exhaustive list, there are some that are mentioned in the AMDAL.

### **Public Outreach and Community Relations**

#### **Bob Dakan**

- We will be able to anticipate conflicts and help mitigate against those conflicts.
- Villages need to be included in the decision-making processes
- We will work closely with contractor for Maintenance of Traffic (MOT) information

- (Majority of information on slides)

### **Site Visit Information**

#### **Doug MacAskill**

- We will not sponsor site visits. However, we will provide you information on how to visit the site.
- Part of project: comprehensive list of safety/emergency information in urban centers.
- Presentation of emergency information

### **Overview of Amendment and Bid Document Materials**

#### **Dale Gredler**

Four amendments to this package so far have already been officially posted on the website.

- Amendment 1 - Mistake in J1 (Task Order No. 1) fixed price unit quantity list. Don't rely on quantities. Don't rely on that list. (those 3 pages from j1)
- Amendment 2 - Announcement of this meeting
- Amendment 3 - Realized that design sheets were missing 6 sheets out of the package, they should have been sent out already (everyone who have + some questions that were asked)
- Amendment 4 - Adjustments and clarifications to section C, 21 changes, based on new information that we have received. Issued last night and is on website

All info on this RFP is mirrored on the USAID website. Officially on [www.fbo.gov](http://www.fbo.gov) website. You can go to either website, including additional information on the project or other USAID projects in Aceh or Indonesia or other procurement opportunities.

- On Section J6 - construction supervision manual - Unfortunately, won't get out prior to the bidding, but we don't think it will affect your bids or proposal, SOP is all it is, all typical and similar (Amendment 5)
- Amendment 5 (Section J5) environmental docs, both in English and Indonesian and will be included on the CD. Also in the amendment will be the presentation given today (all of them) and any questions and answers that arise today
- On CD - we have 20 copies of this CD, there will be one copy to each firm. What's on this document? All environmental documents, geotechnical information, presentations, updated drawings and specifications.
- These are controlled copies of official information, you must document that you have received this information with email address and phone number.

### **Open Discussion, Q & A Session**

**The following are the questions that were asked at the Pre-proposal conference. USAID/Indonesia is providing answers to these questions. USAID/Indonesia has reviewed the transcript and has refined the answers to the questions that were provided verbally. Please rely on these answers as opposed to what you may have thought you heard at the meeting.**

Q: Can we get a list of participants prior to departing today or can we do random introductions to know who is represented?

***A: Yes, we can do introductions (see attendance list). All present introduced themselves.***

Q: Will Parsons/IRG participate in potential/real conflict mitigation/resolution relating to ROW and ongoing activities and housing issues?

***A: Yes they will participate, but USAID will take the lead with the interfacing governments. We will call upon Parsons to make contact but USAID will make all final decisions regarding the interface with government organizations.***

Q. A scheduling question: I think someone said that Task Order 2 must be completed by end of year (2006)?

***A: No. The design of Task Order 2 is estimated to be completed ready by the end of the December.***

Q: I have a question about Task Order 1, is it a three year period? Do you have dates for the completion of priority sections?

***A: The overall IQC is for a three year period. The RFP requires the offerors to prepare a time line for Task Order #1. The priority sections are being negotiated now and there is not schedule set for completion of the sections.***

Q: And the second part of my question; You said the critical areas, the priority sections were 1A, 1B, 2, 3, and 4. Do we have milestone dates for completion of those sections?

***A: The critical areas referred to in the question are sections already in the current contract with an Indonesian Contractor. It is estimated that those areas will be done by just beyond the first of next year. This may be extended a month or two. This was presented in the schedule presented by Doug MacAskill earlier in the meeting.***

***It is expected that as Task Order 2 is developed, there would be parallel activities.***

***This is a clarification regarding the structure of the contract (this is clear is in the RFP) The basic indefinite delivery indefinite quantity contract that will issued for this RFP will be for a three year period. Task Order 1, which is what the Government is requesting a technical approach and cost proposal. The offeror proposes a time frame for Task Order #1. That's the offerors bid – the offerors time and the offerors price. Task Order 1 could be for the three years, two and a half years, or two years, however long offerors thinks it would take. This will be evaluated and scored. The basic IQC, indefinite quantity contract and has a price ceiling. It's a IQC which allows us to issue task orders (Task Order 1, Task Order 2 and so on) on that contract until we reach the ceiling on that overall project. So as Task Order 2 comes in, the contractor might be working on Task Order 1, and then the contractor must bid on Task Order #2. There's no competition for Task Order #2 because the IQC has already been awarded. All terms of the Task Orders are negotiable.***

Q: In the addendum where you removed the bill of quantity, is there any intention will those quantities will be reissued?

***A: No. That Bill of Quantities was a mistake. As per Amendment #1 it should be disregarded.***

Q: What sort of survey information will be given for those quantities other than what is in drawings?

**A: Other than what you have in the bid package including the vertical and horizontal alignments and the topography are available.**

Q: Could we get it in a digital format?

**A: That information is available. This information will be sent directly to all those parties that have registered for this procurement. Those not registered will not be sent the information unless they request the information in writing.**

Q: Documents indicate that the amount of work performed by the main contractor must equal at least 40%. As a US company, it also indicates that personnel employed must be minimum of 51% of the total.

**A: The 51% minimum is for key personnel only.**

Q: That's for the management on the project?

**A: That it's for key personnel only and there is a classification for key personnel.**

Q: This is not for the work itself?

**A: No – only key personnel. The RFP is clear in that it is expected that local workers and subcontractors (particularly Acehnese) will be utilized for this project. This is an evaluated criteria in the Basic IQC.**

Q: Question 1 is about land acquisition/ROW, as I understood that some of the sections / ROW issues and ownership have been resolved. Is there going to be an ongoing process on part of USAID?

**A: Yes there is an ongoing process as was indicated in the presentation by Roy Ventura. The Government anticipates that before the bid closes and time before the bid closes to give you a list of timing of when the ROW will be closed throughout the length of the project.**

Q: By the time the contractor mobilizes on site?

**A: Yes, well before mobilization. Due to the nature of the work offerors should recognize that some areas don't require ROW acquisition.**

Q: Second question is from our observations around the roadway where the scope is covered in the new contract, around stations 30 and 47 and 49 you call for work to be asphalt overlay, but we can't see any sub-base, it's more like dirt road and there may have been gravel road before but I specifically looked at station 47 and 49 and 31-32 with no gravel.

**A: The person that provided the question was requested at the meeting to provide detailed information regarding the locations sited and ask specific questions. This information was never received.**

**Dale: "I think you being specific in your sections of the road. I want to make sure we know where those sections are, but I don't want to answer your question specifically if we don't know what section you're in. We'll have the engineers take a look at it because we don't want to give you wrong information."**

Q: But since you are defining overlay, and if there is no sub-base, it conflicts with information that you provide to us.

***A: The person that provided the question was requested at the meeting to provide detailed information regarding the locations sited and ask specific questions. This information was never received.***

Q: Is an engineer going to go back and at least look at it and put an amendment on some other sections in it? It's a long route and we may miss something in the site visit.

***A: The person that provided the question was requested at the meeting to provide detailed information regarding the locations sited and ask specific questions. This information was never received.***

Q: We're just passing there and quickly not looking at something, what station, or substation there are.

***A: There detailed engineered drawings which talk about every section you are going to be responsible for constructing. There is lots of information, there is geotechnical information, environmental information, if you have specific questions about a particular section that you don't have, about information that is not in the presentation please ask specific questions and we will give you a specific response to that question. We can answer specifically to help you make that bid.***

***The person that provided the question was requested at the meeting to provide detailed information regarding the locations sited and ask specific questions. This information was never received.***

Q: **The World Bank Representative made some comments:** It was mentioned that we are responsible for maintaining certain sections of the road. We might finance a certain portion through CRS, but we don't have responsibility for maintenance, that is the responsibility of the local government and the provincial roads authority. So the MDF (multi-donor fund) has no responsibility for maintenance.

***The Government wants to make it clear that this isn't a question referring to the RFP; this is a clarification from representative of the World Bank. If you have questions regarding what the World Bank is doing, you need to contact them directly. USAID does not have specific info about the scope of the World Bank Program.***

Q. With regards to utilities. Doug, said relocation of utilities would be responsibility of the GOI, but in the contract it says that contractor is responsible to identify and pay for relocation of existing services. Any upgrade would be an enhancement of services and a variation to the contract.

***A. This is clarified in Amendment No. 4 and it is says specifically that it is the government who will take care of existing utilities, not the contractor.***

Q: So we have to identify (the utilities), uncover and give them our schedule of our works to do that and they will perform that work?

***A: Yes. However, this should be closely coordinated with the CMC and the Government.***



Q. KM 80-89 I think there is interference with the multi-donor contract, and now I think Km 80-89, there is repairment to the contract. How does this relate to the contract?

**A. *If there are any additional questions regarding the World Bank's involvement along the road corridor, their programs, their projects, those questions should be directed to the World Bank, because they will give you the best information and I want to make sure you have the best information.***

Q.: Given that we are responsible for ongoing maintenance and the 12 month warrantee period, and we've seen photos of devastation by overloaded trucks on structures there, is there proposed to be controls on entry points onto the road through there to try to control axel weights traveling on the road?

**A: *The road has been designed in terms of base and road thickness to allow for a certain amount of overload because we recognize in this region that there is a minimal enforcement of such things. The road has been designed to take the heavier loads. The government is responsible for enforcement of load restrictions.***

Q: Now a question that relates to the database that Robert spoke about: with regard to expectation of local communities - Is there a synopsis of the key points that could be made available as to what those key aspirations are from the community?

**A: *Yes, this is available and is available in several forms. Info will be released not as an amendment to the RFP, but posted on the website as additional information so you can get that background information on community development.***

Q: We just want to know what villagers are expecting in terms of training people, are you drop them off, pick up new ones, carry them along

**A: *There will be an interface between the general contractor and CMC (who has the outreach program). As contractors prepare for mobilize the interface with the CMC will be critical as some exposure to villages will be required to seek employment opportunities from the local people will come from these villages. The government will facilitate the interface with the outreach program but the contractor will have the ultimate responsibility to work with the communities on construction related issues.***

Q: As I understand, the maintenance of traffic is the contractor's responsibility. Is it also the responsibility of the contractors like the slide you just showed, to assess the loading of the trucks before they go over the bridge? Is there a specific maintenance of traffic while we are doing the bridge work?

**A (Roy): *The question has been before regarding the loading when a truck goes over, are you talking about the bailey bridges or the new structures?***

Response: the bailey bridges.

**A:(Roy): *Regarding the bailey bridges: they are posted and identified in terms of loading and this is a local enforcement responsibility. It is the contractor's responsibility within the contractor's construction zones to maintain the work effort and facility that is being built until the end of the warrantee period.***

***The other question relates to traffic control. The contractor has the responsibility (and this is very clearly stated in the bid package, particularly in Section C) to maintain traffic all the way through the project.***

To clarify: it is a local enforcement responsibility to make sure that the vehicles that are on the bridges are not overloaded and do not damage the bridge. If it is the contractor's vehicle that is bringing in material and supplies that causes damage to the bridge then it's the contractor's responsibility. That is stated in Amendment 4 and that should be involved in your scheduling to get access to those areas.

Q: Please explain VAT (value added tax)

***A: Under the terms of the agreement USAID has with the Government of Indonesia, represented by BRR, all of our contractors, grantees or sub grantees or sub contractors are exempt from the VAT for non-national organizations and non-national staff. It will be applied but it takes some time to implement it but we are going through the process now with BRR and other GOI agencies. The VAT is exempt final at the final transaction point. We will try to make sure that the contractor will not have the financial burden placed on him. It will be through an up front exemption, through reimbursement, or if needed we will look at the possibility of allowing taxes to be an allowable cost. The VAT should not be applied to the contractor, materials and supplies. VAT is not to be included the bid price.***

Q: LDs (liquidated damages) are mentioned in the document but there is no definition of the amount of LDs that will be levied. Could we have an amendment that clarifies this please?

***See Amendment #5***

Q: 10% is quite clearly mentioned for the warrantee bond for one year warrantee period. Is the 10% retention that is not in addition to the warrantee bond?

***A No.***

Q. So it's just the 10%?

***A. Yes.***

Q: With regards to the bill of quantity, I have read the document to be a schedule of rates contract, so on a monthly basis we measure the work and the rates we have done and our evaluation is upon that basis. By taking out the quantities, I believe that different contractors will have different quantities and different rates. How will you evaluate that contract, given that you have anomalies between the unit rates and the quantities? If everybody quoted on the exact same quantities, you would be able to compare apples and apples. By having no quantities and each contractor doing his re-measurement, you are going to have three separate bids that will be very difficult to evaluate.

***A: The government has prepared an independent estimate for quantities. A baseline has been set to evaluate offerors. That's not the only thing that the evaluation is based on. The first evaluation is made on technical merit and an understanding of the project. And then the evaluation is made on the financial aspect.***

***To clarify – there is a government cost estimate with quantities that the Government will not going to release. It's the offerors responsibility to establish the quantities and the price and we will then base the price analysis on that offeror. This allows the Government to also make an assessment of your understanding of the project.***

Q: I want to pursue that bill of quantity, considering the time limitation and complexity of the program, and a limited understanding as far as it applies that the Contracting Officer would try and establish fair and reasonable prices at the outset, and establish a level playing field, and through those reasonable estimates to give some indication of cost impacts that will be made and the risks that the contractors would be willing to accept, could you clarify this a bit more?

***A. The Government has given a range for the price of the contract, a base range for Task Order 1 and a ceiling price for the basic IQC.***

Q: If a mistake is seen, will you inform the contractor if they make it into the competitive range?

***A: Yes.***

Q: Please clarify how the Contracting Officer will establish fair and reasonable prices at the outset, give implications of cost impacts that will be made and the risks that the contractor might be willing to accept.

***A: We have given a range for the price of the contract, a base range for Task Order 1 and a ceiling price for the basic IQC. We have a baseline government estimate of the amount of quantity that should be needed to complete Task Order #1. We will base our price analysis and price evaluation on the government cost estimate. Future task orders will be based on Task Order #1 and the price as well as any economic price adjustments that have been made under that, as well as what you are proposing and that will be how we determine reasonable prices.***

Q: Onto the bill of quantities, it does say in that document that we are able to add pay items into that document. So, for example, the maintenance of the road which was discussed earlier and is not a pay item, we could add that as a monthly pay item so for example per km of maintenance per month as a rate, that is the intention of that statement?

***A: Yes, but doesn't mean that the Government will accept such pay items. All of the items that are in your bid are negotiable.***

Q: Regarding price adjustment. There is the index. The project is in Indonesia, and the grant comes from America. If there is a price adjustment, do we apply Indonesian index or American index?

***A: Economic price adjustment clause is in this contract. Not based on index but based on actual prices. This is clearly stated in the FAR. If it is found that actual prices have gone up we can use the economic price adjustment clause to adjust the prices for those quantities. We would like to remind offerors that if the prices go down, prices can be adjusted down. The burden is upon the contractor to establish the basis for which the consideration is given. If it's reasonable we'll consider it and we will negotiate it.***

Q: Will there be a bid extension?

***A: Not at this point as no requests have been made.***

(No more questions were asked)

**You have until the 17th of July to submit all questions in writing. An email address has been created for this project so that contract specialist has opportunity to view directly. The RFP will be amended as many times as needed to answer all your questions and get the best possible bid. There will be no extensions on this deadline.**

**Special email address:**

**Rfp06\_015@usaid.gov**

**<http://indonesia.usaid.gov> is the web address for other communications.**

**The official government point of entry is [www.fbo.gov](http://www.fbo.gov). You should register for that so you get access any amendments. There is also a place for vendors to register.**

The meeting adjourned at 12:10pm